

**EXHIBIT 114 TO
HARVEY DECLARATION
REDACTED VERSION**



Startup Talent Competition

Authors: Cooper Greene and Katie Temple
Contributor: Alex Carney

OVERVIEW

In Q4, we continued our [REDACTED]
For these key talent competitors, our strategy includes counteroffers of up to [REDACTED] the competing equity offer, in addition to offering aggressive compensation to head-to-head candidates.

[REDACTED]

[REDACTED]

[REDACTED]

FACEBOOK TALENT COMPETITION

Facebook Results vs. Forecast

Since Q4 2010, we have forecasted exits to Facebook based on actual results and press / analyst reports of Facebook recruiting and growth. We measure our success based on actual Facebook exits vs. our forecast. In Q4, we lost [REDACTED] Googlers to Facebook, [REDACTED] than our quarterly forecast of [REDACTED] and a [REDACTED] in YoY exits. [REDACTED]

[REDACTED]

This data suggests [REDACTED]
[REDACTED]
[REDACTED] The chart below illustrates historical Facebook offers to Googlers and exits to Facebook:

¹ Note, as exits to our key competitors decline we expect quarterly statistics to become more volatile as n-count decreases (i.e., small change in n-count can cause a large change in win rate percentages)

² Significant offer activity is defined as either (1) Offer extended to a VP or above or (2) 2x quarter-over-quarter increase in exits

Quarterly # of Facebook Offers to Googlers and Exits to Facebook



We have also updated our forecast of 2012 Facebook exits. [REDACTED]

For our 2012 forecast, we assumed a similar pattern [REDACTED]

Counteroffers vs. Facebook

Our QoQ win rate remained stable at [REDACTED] % in Q4 (vs [REDACTED] in Q3). [REDACTED]

For Facebook cases resolved in Q4 2011, we granted [REDACTED] in counteroffer equity and [REDACTED]

Note, as Facebook's offers to Googlers have [REDACTED] since Q4 2010, we expect quarterly statistics to become more volatile as n-count decreases (i.e., small change in n-count can cause a large change in win rate percentages).

Additional detail on Q4 Facebook counteroffer activity can be found in Attachment A.

Facebook Head-to-Head Candidate Update

In Q4, we extended [REDACTED] new candidate offers. Of these candidates, [REDACTED] received a competing Facebook offer and [REDACTED] resolved cases accepted Google's offer [REDACTED]

Additional head-to-head candidate details are provided in Attachment A.

³ "Facebook to Open New York Engineering Office as Web Site Prepares for IPO" www.bloomberg.com (2-Dec-11)

⁴ Multiple determined by (Google equity counteroffer + Googler's five-year unvested equity at time of counter) / competing organization's total equity offer

⁵ [REDACTED]

TWITTER TALENT COMPETITION

Twitter Results vs. Forecast

There were [REDACTED] total exits to Twitter in 2011 [REDACTED] below our annual forecast of [REDACTED]. In Q4, we had [REDACTED] exits to Twitter, [REDACTED] greater than our forecast of [REDACTED]. Note, of the [REDACTED] exits to Twitter in Q4 [REDACTED] were [REDACTED]
[REDACTED]
[REDACTED]

For our 2012 forecast, we assume Twitter will have [REDACTED] YoY headcount growth (similar to headcount growth from 2009 to 2010), with [REDACTED] of their 2012 hires coming from Google (consistent with our 2010 estimate). This implies [REDACTED] exits in 2012 (vs. [REDACTED] in 2011). We will measure our 2012 success based on actual 2012 exits to Twitter vs. this updated forecast.

Counteroffers vs. Twitter

In Q4 we observed a [REDACTED] YoY [REDACTED] in the number of incoming Twitter offers and a [REDACTED] YoY [REDACTED] in the number of Googlers exiting to Twitter ([REDACTED] exits). Our Q4 win rate was [REDACTED] (vs. [REDACTED] in Q3; Q4 win rate reflects [REDACTED])⁶.

Our decreased Q4 counteroffer win rate reflects [REDACTED] who was not [REDACTED] and [REDACTED] Googlers who wanted to experience roles outside of Google. Additionally, we hypothesize Twitter's Dec-11 site redesign and brand pages launch⁷ may have increased Twitter's attractiveness as an employer. To support our talent retention strategy, [REDACTED]
[REDACTED]
[REDACTED]

Additional detail on Q4 Twitter counteroffer activity can be found in Attachment B.

OTHER STARTUP TALENT COMPETITORS

Square and Groupon

In Q4, Square made [REDACTED] offers to Googlers (vs. [REDACTED] in Q3). We countered [REDACTED] and [REDACTED] accepted our counteroffer to remain at Google. Groupon made [REDACTED] offers to Googlers in Q4 [REDACTED] VP-level Googler [REDACTED]

Redacted

[REDACTED] and [REDACTED] [REDACTED]
[REDACTED] We will continue to monitor these organizations' recruiting trends. However, going forward we will only report these results if significant offer activity⁹ occurs.

⁶ Note, as exits to our key competitors decline we expect quarterly statistics to become more volatile as n-count decreases (i.e., small change in n-count can cause a large change in win rate percentages)

⁷ "Twitter simplifies to find new users" www.businessweek.com (8-Dec-11)

⁸ Spend includes resolved counteroffers and preemptive grants made vs. Twitter from 5-Oct-11 to 7-Dec-11

⁹ Significant offer activity is defined as either (1) Offer extended to a VP or above or (2) 2x quarter-over-quarter increase in exits

All Other Startup Talent Competitors

[REDACTED]

In Q4, we made [REDACTED] counteroffers (average equity counteroffer value = [REDACTED]) to other non-key startup competitors and won [REDACTED]. For cases resolved in Q4, we granted [REDACTED] in counteroffer equity to non-key startup competitors and [REDACTED]

[REDACTED]

¹⁰ For non-key startup competitors, Googlers must meet the following guidelines to be eligible for a counteroffer: [REDACTED]

[REDACTED]

[REDACTED]

ATTACHMENT A

Facebook Counteroffer Update

Date	Facebook Offer to Googler	Google Made Counteroffer	Google Won Counteroffer	Googler Re-hired from Facebook ¹	Google Win Rate as % of Resolved Counteroffers
Prior to 2010					
Q1 2010					
Q2 2010					
Q3 2010					
Q4 2010					
Q1 2011					
Q2 2011					
Q3 2011					
Q4 2011					
Total Number					
% of Total Facebook Offers					

Note: sorted by date; data as of 31-Dec-11

1) Rehires categorized based on date of original resignation (as opposed to date of rehire)

Facebook Head-to-Head Candidate Update

Date	Head-to-Head Candidates	Google Won Candidate	Google Win Rate as % of Resolved Candidates ¹
Prior to 2010			
Q1 2010			
Q2 2010			
Q3 2010			
Q4 2010			
Q1 2011			
Q2 2011			
Q3 2011			
Q4 2011			

Note: sorted by date; data as of 31-Dec-11

1) Q4 2011: [REDACTED] offers pending candidate decision

ATTACHMENT B

Twitter Counteroffer Update

Date	Twitter Offer to Googler	Google Made Counteroffer	Google Won Counteroffer	Googler Re-hired from Twitter	Google Win rate as % of Resolved Counteroffers ¹
Prior to 2010					
Q1 2010					
Q2 2010					
Q3 2010					
Q4 2010					
Q1 2011					
Q2 2011					
Q3 2011					
Q4 2011					
Total Number					
% of Total Twitter Offers					

Note: sorted by date; data as of 31-Dec-11

1) Rehires categorized based on date of original resignation (as opposed to date of rehire)

2) Q4 2011: [REDACTED] counter pending Googler decision

Twitter Head-to-Head Candidate Update

Date	Head-to-Head Candidates	Google Won Candidate	Google Win rate as % of Resolved Counteroffers ¹
Prior to 2010			
Q1 2010			
Q2 2010			
Q3 2010			
Q4 2010			
Q1 2011			
Q2 2011			
Q3 2011			
Q4 2011			
Total Number			

Note: sorted by date; data as of 31-Dec-11

1) Q4 2011: [REDACTED] offers pending candidate decision